

DONOR ADVISED FUND VS. PRIVATE FOUNDATION

Which option is right for you?



	DONOR ADVISED FUND of The Community Foundation	PRIVATE FOUNDATION
Creating the Fund	A component part of The Community Foundation established by a simple fund agreement	Separate Nonprofit Corporation or Trust organized as a private foundation
Recommended Size	\$10,000 minimum for a non-endowed fund, \$25,000 minimum of an endowed fund	\$10 Million recommended minimum to justify operating costs
Start Up Costs	None	All legal, accounting and filing fees
Ongoing Administration and Annual Costs	Up to 1.75% annually depending on the size of the fund, plus an investment fee of up to 1.0% annually. 3% on all gifts to non-endowed funds with no additional annual fees	All costs including, legal, accounting, payroll and audit are incurred by the foundation
Tax Exempt Status	Shares The Community Foundation's public charity tax-exempt status	Must apply for private foundation tax exempt status from the IRS
Excise Taxes	None	Subject to 1-2% annually
Charitable Deductions for Cash Gifts	Tax deduction of up to 60% of adjusted gross income	Tax deduction limited to 30% of adjusted gross income

Comparison of Donor Advised Fund and Private Foundation

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Charitable Donations for Appreciated Property, Including Appreciated Stock and Real Estate and Closely Held Stock	<p>Tax deduction available for full fair market value of marketable securities and other property for those who itemize deductions</p> <p>Tax deduction of up to 30% of adjusted gross income</p>	<p>Tax deduction for full-market value of marketable securities only; deductions for other property is limited to the lower cost or fair market value</p> <p>Tax deduction of up to 20% of adjusted gross income</p>
Grantmaking Support	<p>Due diligence and review of all grantees recommended by donor</p> <p>Donor education sessions on work of local nonprofit agencies</p> <p>Research on specific non-profits provided upon request</p>	<p>Compliance with all evaluation, monitoring and reporting procedures as required</p>
Payout Requirements	None	Required annual minimum payout of 5% of all assets, subject to penalty on undistributed amount
Investment Support	Assets professionally invested and managed through The Community Foundation	<p>Must secure and oversee own investments</p> <p>Foundation must pay investment manager fees</p>
Privacy and Confidentiality	Fund may be named or anonymous. Contributions, assets, and grants may be kept confidential	Detailed public disclosure annually from posting of IRS 990F which makes public all assets and grants



Rob DeGraff

About Us

Since 1998, The Community Foundation San Luis Obispo County has been a trusted philanthropic resource for our county. The Community Foundation has supported our county with grants and scholarships totaling more than \$37 million since 1998. The Foundation's assets under management are over \$60 million and provide support to all aspects of our community in perpetuity.

To access our resources, please contact Cecelia Mazelin, Donor Services Coordinator at cecelia@cfsloco.org or call 805-543-2323.